
Government of the District of Columbia



Department of Consumer and Regulatory Affairs

Testimony of

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Director

***FISCAL YEAR 2010 AGENCY PERFORMANCE
PUBLIC OVERSIGHT HEARING***

Council of the District of Columbia
Committee on Public Services and Consumer Affairs
Muriel Bowser, Chair

March 12, 2010

Room 412
John A. Wilson Building
1350 Pennsylvania Avenue, NW
Washington, D.C. 20004
1:00 P.M.

Good afternoon, Chairperson Bowser, members, and staff of the Committee on Public Services and Consumer Affairs. I am Linda Argo, Director of the Department of Consumer and Regulatory Affairs. I'm here today to testify on DCRA's performance during Fiscal Year 2009 and thus far in Fiscal Year 2010.

DCRA's mission is to protect the health, safety, economic interests, and quality of life of residents, businesses, and visitors in the District of Columbia. We do this by issuing licenses and permits; conducting inspections; enforcing building, housing, and safety codes; regulating land use and development; and providing consumer education and advocacy services.

Our critical challenge in meeting our mission is to balance strong enforcement with excellent customer service. As a regulatory agency, this dynamic is not unique to DCRA.

We continuously strive to simplify our processes and requirements, eliminate redundancies and inefficiencies, and to make our services accessible in as many places and in as many ways as possible.

One of my main priorities is to make DCRA responsive to all our customers and stakeholders. We seek to meld customer service and business efficiencies into the complex regulatory frameworks we work with on a daily basis.

I believe that in the past year, we have made significant progress in improving DCRA in both practice and in the public's perception. We constantly aim to streamline processes, make extensive use of technology, and provide excellent customer service.

Before discussing the agency's performance and accomplishments, I'd like to remind everyone that we're moving. As of March 22, we will be located at 1100 4th Street, SW, directly above the Waterfront/SEU Metro station on the Green line.

We've spent many months carefully planning the move and are excited about moving into the new, LEED Silver building. Our offices will shut at noon on Friday, March 19 and we will be open for business at 9:30 on Monday morning, March 22. Although our address will change, our main phone number – 202-442-4400 – and our main email address – dcra@dc.gov – will remain the same. We have extensive information on our website, including a layout of the new facility, available at dcra.dc.gov/moving. Attached to my written testimony is a map of the new facility showing the locations of our new Permits and Licensing centers (Attachment A).

Now I'd like to give you a brief overview of our accomplishments over the past year and our plans for the coming year.

A. Quality of life issues

Early last year, we launched a new joint website with the Office of the Attorney General – consumer.dc.gov. The website allows online complaints to be submitted directly to both agencies. Almost half of the total number of consumer protection complaints we receive are related to home improvement contractors. As a result, we've been working closely with the Metropolitan Police Department and OAG to serve arrest warrants on more than a dozen unlicensed home improvement contractors. We're also reviewing legislative proposals to require the professional licensing of home improvement contractors. This would give us far more enforcement authority, since the revocation of a professional license would prohibit the person from working in the District as a contractor.

DCRA also plays a major role in dealing with a wide range of quality of life issues for residents, businesses, and visitors. We have had a major and highly visible enforcement role in the areas of vacant and blighted properties, used car lots, and billboards. I will briefly address each of these in turn.

Vacant and blighted property

In the wake of the Council's creation of a new property tax rate for blighted vacant buildings, DCRA has established procedures for the identification and designation of such properties, as well as an appeals process utilizing the Board of Condemnation for Insanitary Buildings (BCIB). We initially identified 137 vacant buildings as meeting the blighted criteria. Twenty-six of those properties appealed to the BCIB and, as of March 10, we have referred 119 properties to the Office of Tax and Revenue for Class 3 classification at the \$10 property tax rate.

We also continue to require the registration of all vacant properties. As of March 10, we have identified 2,448 vacant properties. Attached to my written testimony are maps of all identified vacant properties and blighted vacant buildings (Attachment B). However, I must emphasize the need for permanent legislation on this issue. Chairperson Bowser, we believe the bill you introduced, Bill 18-546, would give DCRA far greater flexibility in dealing with vacant properties.

Used car lots

Since December 2008, nearly 200 used car dealers have been closed down, more than 1,200 vehicles towed, and hundreds more removed by business owners as part of a yearlong sweep of the District's used car industry.

Working closely with OAG, the Department of Motor Vehicles, the Department of Public Works, and several other agencies, DCRA issued regulations in February 2009 to strengthen the business licensing requirements for used car dealers and salespersons, limit the number of vehicles that can be stored outdoors in commercial zones, require a permanent structure on all lots, and limit the number of salespersons based on the size of the lot.

From January to April 2009, DCRA conducted extensive outreach to educate used car dealers on the new requirements. We've enforced the regulations by posting abatement notices and towing vehicles from non-compliant lots. We believe the new regulations will deal with what had been a proliferation of used car lots that were poorly maintained, overloaded with vehicles, and created a significant visual blight on many neighborhoods, particularly along Georgia Avenue, NW in Ward 4 and Bladensburg Road, NE in Ward 5. The community response to this initiative has been overwhelmingly positive.

Billboards

Over the past several months, DCRA worked in close coordination with OAG to remove several billboards in residential neighborhoods in Wards 5 and 6. We are also working through the Construction Codes Coordinating Board, which I will describe more fully in a few moments, to revise the Code provisions dealing with outdoor advertising signs. As we researched the long and circuitous history of the District's regulations on signs, we found numerous outdated, contradictory, and simply confusing provisions that we will be updating. We also continue to work with District residents and community organizations to identify and remove unauthorized billboards that blight our city's neighborhoods and emerging commercial districts.

B. Inspections

DCRA's critical mission is ensuring the safety of residential buildings and rental units. We enforce the District's housing and building codes requiring property owners to maintain their rental properties in safe and habitable condition. To meet this mission, we have focused significant time and resources on the inspection process, outreach to housing and tenant advocates, and the increased professionalization of our inspections division.

Proactive inspections program

Perhaps one of our most successful and far-reaching initiatives has been the proactive rental housing inspections program. Under this program, DCRA inspectors will inspect each residential rental building with three or more units regardless of whether we've received any housing code complaints from tenants. By proactively inspecting rental properties, we will be able to identify and rectify any housing code violations before they become a danger to the health or safety of tenants.

Last September, we completed the pilot phase of the program by inspecting 264 multi-unit buildings throughout the District. In selecting these buildings, we relied greatly on referrals from the Office of the Tenant Advocate, housing advocates, and community activists. Their ongoing assistance was vital in identifying and correcting weaknesses in the pilot phase.

On October 1, we officially launched the program. Our goal is to inspect 850-950 buildings annually and to have inspected every rental building with three or more units in the District in five years. We regularly update our website with all the proactive inspections information in order to make it easily accessible to tenants and advocates.

We believe this program will literally save lives – one of the buildings we inspected during the pilot phase was found to have a dangerous gas connection. I've attached a map to my written testimony showing the locations citywide of the buildings we've inspected since we launched the program (Attachment C).

Collaboration with housing advocates

In the past year, we've also greatly increased our collaboration with housing advocates. As I noted, several of the buildings we included in the proactive

inspections pilot phase were suggested by housing advocates based on their on-the-ground knowledge. We hosted monthly meetings with representatives from groups such as the Latino Economic Development Corporation, the Washington Legal Clinic for the Homeless, and Bread for the City. As a result of these meetings, we have developed a form that housing advocates can provide to tenants which authorizes us to release to the advocates any citations issued to the tenants' landlord.

In July, and in conjunction with OAG, we drafted a building closure protocol involving DCRA, OTA, the Department of Housing and Community Development, and the Mayor's Office of Community Relations and Services. This inter-agency protocol helps coordinate the District government's response when a building has to be ordered closed due to its life- or health-threatening conditions.

Increased professionalization of inspections programs

In July 2009, DCRA launched a new Third Party Inspections program that required International Code Council (ICC) certifications for third party inspection companies. This new initiative significantly increases the levels of professional expertise of third party inspectors, resulting in a direct and positive benefit on District building safety. Our manual governing the Third Party Inspections program is available on our website, at dcra.dc.gov/ThirdPartyInspections. We have held several meetings with stakeholders and have heard some objections regarding our professionalization plan. However, all companies have until July 2010 to meet the new requirements. Companies that fail to meet that deadline will face de-certification as a third party inspector.

As you may be aware, all newly hired DCRA inspectors are now required to have multiple ICC certifications and all current inspectors are required to be multi-certified by the end of FY 2011. This requirement will significantly increase our

efficiencies by being able to send one combo inspector, rather than several single-specialty inspectors, to conduct an inspection. To assist our inspectors with getting multi-certified, we provided them, free of charge, with study materials and practice exams and, if the employee passed the exam, DCRA covered the cost of the exam. As of today, 27 of our inspectors are multi-certified.

C. Construction/Permits

Whether a person is replacing a window, adding onto their home, upgrading the electrical or plumbing in their condo unit, or building a multi-story mixed use development, they need to apply for a building permit and ensure compliance with the D.C. Construction Codes. We continuously seek to streamline the multi-agency review process, as we are highly cognizant that in this economic climate, time wasted standing in line in our Permit Center translates into money wasted at the construction site. At our new Waterfront location, we're expanding the presence of sister agencies involved in the review process, including the Historic Preservation Review Board, the District Department of Transportation, the District Department of the Environment, the Office of the Fire Marshal, and WASA.

Greening the Codes

One of our major projects this year is the revising of the D.C. Construction Codes. In February 2009, the Mayor established the Construction Codes Coordinating Board whose mission is to promulgate the 2010 edition of the Codes. The Board meets on a monthly basis and its 13 subcommittees are meeting multiple times each month. Each meeting is open to the public and their dates and agendas are posted on our website. The Board's goal is to finish the revisions to the proposed Codes by January 2011. With the adoption of these Codes, the District, for the first time in recent memory, will be aligned with the ICC Code revision cycle; we previously had been one or two cycles behind.

As the Board reviews the various changes to be made to the Codes, one of its key objectives will be seeking to make the District's building codes some of the greenest in the nation. We are awaiting final release of the International Green Code and the ASHRAE 189.1 standard, both of which should be out in the next month and will be carefully reviewed by the Board to determine which elements should be incorporated into the District's Codes. We're working very closely with building and construction industry stakeholders and environmental groups to make the District's Codes a national model for other jurisdictions.

Project Dox & IVR System

This year, we will be launching two major technological upgrades within our Permits Division. The first, Project Dox, is software that will allow sister agencies involved in the permit review process to concurrently review electronically submitted plans. Beginning July 1, customers will be able to electronically submit their plans electronically in a wide range of electronic design formats. The plans are then sent to our sister agency plan reviewers, so that each can review the plans at the same time, rather than waiting for the plans to be physically delivered to them, reviewed, and then physically delivered to the next agency. Any changes to the plan are made electronically, thereby allowing the customer to see each agency's specific changes or comments. This new technology will place the District at the forefront of area jurisdictions and will help set a new standard for how municipalities review building plans.

We're also rolling out a new interactive voice response inspections system that gives building contractors 24/7 access to inspections scheduling and inspections results via their phone or PDA. This system will rollout on April 15.

Cutting review timeframes and increasing productivity

We're also working on several other processes to better serve customers. We are eliminating outdated and cumbersome requirements governing certificates of occupancy. We are expanding the parameters for use of EZ Permits, which can be submitted online and printed at home. The adoption of our IT system, Accela, by other agencies, and better tracking of permit reviews by discipline and reviewer, will help reduce the timeframes for complex plan reviews. We believe these new efforts will significantly increase productivity and will greatly benefit our customers.

D. Business Licensing

DCRA licenses more than 30,000 businesses in more than 150 different categories. Currently, nearly half of all business license categories can be renewed online, which saves customers time and effort they can better use in running their businesses. Last year, we launched a general business license that is required for all businesses not already licensed. Because we recognized the significant scope of this new license requirement, we did extensive outreach, including mailings to businesses and trade associations, attending community meetings, and going door-to-door in key commercial corridors, such as Georgia Avenue, Adams Morgan and U Street, Connecticut and Wisconsin avenues, historic Anacostia, H Street, NE, and Brookland. In the coming year, we will be increasing the license categories that can be renewed online and will be significantly increasing our online content.

Waterfront Business Resource Center

After we move into the Waterfront facility, we will be launching a new Business Resource Center that is designed to provide training and consultation services to customers seeking to navigate the District's regulatory environment.

The Center will inform customers of the steps needed to comply with requirements on licensing, corporate registration, and permitting. To provide assistance and guidance to the small businesses which are the life blood of our local economy, we are working to develop partnerships with the D.C. Small Business Development Center at the D.C. Chamber of Commerce Foundation and the new D.C. Women's Business Center.

DCMR re-codifications

Over the past year, DCRA has worked closely with the Office of Documents and Administrative Issuances (ODAI) in its online launch of the *D.C. Register*, the D.C. Municipal Regulations, and the e-rulemaking system. We are working with ODAI to re-codify DCRA's licensing regulations, which are currently spread throughout multiple titles in the D.C. Municipal Regulations into one title. This will make it far easier for our customers and the public to quickly locate all the relevant license regulations in one place.

Updates to business license regulations

We are also working on overhauling most of our license regulations. We recognize that, particularly in these economic times, businesses need regulations that reflect modern realities and practices, not what existed several decades ago when the regulations were written. Our goal is to simplify many of the regulations and eliminate outdated provisions that neither reflect industry practice nor benefit consumers. In reviewing several license categories, such as tour guides, rental housing providers, and general contractors, we've actively sought the input of industry stakeholders.

Vending regulations

I have no doubt, Chairperson Bowser, that you and other committee members have heard a great deal from street vendors regarding the ongoing revisions to the vending regulations. As you know, the Vending Regulation Act of 2009 created a Citywide Vending Task Force that was charged with evaluating vending laws and regulations. Specifically, the law required the Task Force to “consider issues of grandfather clauses, insurance fees, lottery selection, and possible clarification of existing grounds of revocation of a vending license.”

On February 22, the Task Force concluded three months of meetings and issued its report. While we were hopeful that the Task Force would provide useful guidance, unfortunately the report did not specifically address most of the issues with which it was tasked. Its main recommendation was to create a new, permanent vending bureaucracy that would apparently supplant and duplicate the statutory roles of DCRA, DDOT, MPD, and the Office of Administrative Hearings.

As the Task Force conducted its review, we provided its members with copies of our working draft of revised vending regulations. We continue to seek input from vendors, business representatives, community groups, and the public. As we anticipated hearing from vendors today, our plan is to seek comments for an additional week and then, by the end of this month, move forward with the executive review and approval process. We look forward to putting forth proposed regulations by the end of May.

E. Customer service and outreach

We understand that regardless of all the great things that we do, unless we provide high-quality service to our customers, it's all for naught. A customer won't care about all our new technology or processes if they're treated poorly,

unprofessionally, or in an untimely manner. To help ensure a high level of service, we've greatly expanded our customer focus sphere into new media technologies, such as Facebook and Twitter. But while we have made significant strides in email and online communication, nothing replaces face-to-face conversations. Our staff has held more than 150 community outreach events, including several workshops showcasing energy-saving projects homeowners can do to lower their utilities bills. During the winter months, we distributed more than 10,000 fliers in all eight wards highlighting the housing code regulations, including heating requirements and the way to report violations.

Internal testing of customer service reps

DCRA has taken major strides in providing superior customer service. In March 2009, we began an aggressive bi-weekly campaign to test all agency contact phone numbers. Staff must meet 13 specific requirements to earn a perfect score. And, rather than simply sending the results to managers, we post the grades on our intranet site so that all employees can see how their division's customer service responsiveness matches up with the rest of the agency. We have found that our employees' competitive spirit is a great motivator for providing high-quality customer service.

Social media outreach

In October 2008, DCRA launched thisshouldbeillegal.com to alert the tens of thousands of college students residing in the District of applicable rental laws and housing code regulations. To date, this effort has generated positive coverage in national, local, and college media, including The New York Times, The Washington Post, and USA Today. The campaign has reached more than 40,000 people and cost DCRA just \$20 to implement by using new online media technologies.

Inspections in the targeted, student-heavy neighborhoods in Wards 1, 2, 3, and 5 have increased more than 200% over the past 16 months. We have held more than 40 outreach events at colleges and are now in regular contact with college housing administrators. We've recently launched an initiative in the residential neighborhoods around Georgetown University and are actively investigating more than 120 allegedly illegal rental properties.

Additionally, our communications staff makes extensive use of social media technology, such as Twitter and Facebook. Our Twitter handle - @DCRA – regularly interacts with customers and provides wait times in our Permit Center and Business Licensing Center. I've also personally hosted two online "Ask the Director" chats, with the most recent one being last Friday. These are our first experiences interacting with the public using this new medium and we look forward to hosting more online chats. We have been lauded for our extensive use of new online media and plan on continuing to expand into this new frontier.

Chairperson Bowser, thank you for the opportunity to report on DCRA's accomplishments and its plans for the coming fiscal year. My staff and I would be happy to answer any questions you may have.

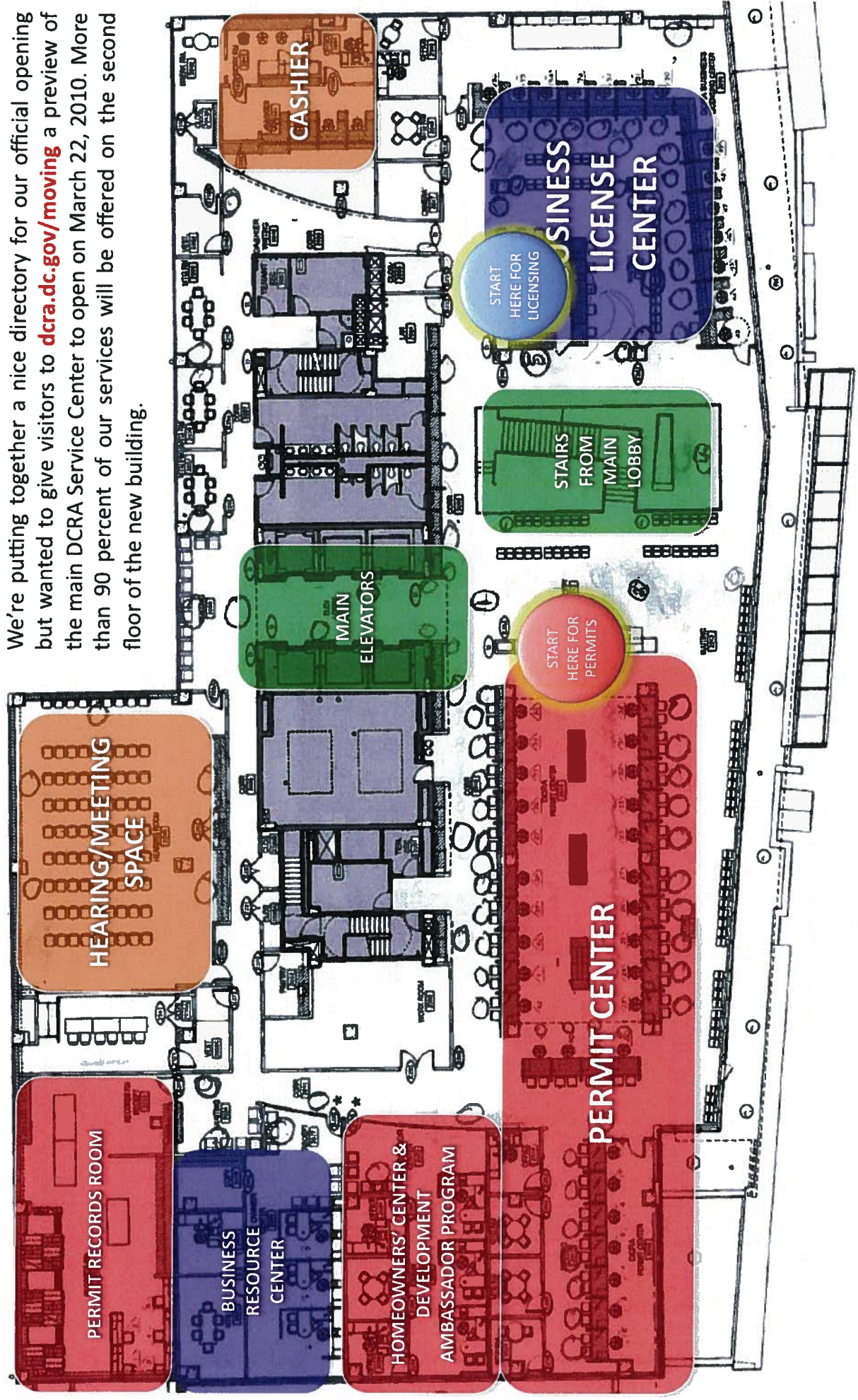
Attachment A

Map of Business Licensing Center and Permit Center at DCRA Waterfront Facility

DCRA Second Floor Main Service Center Layout



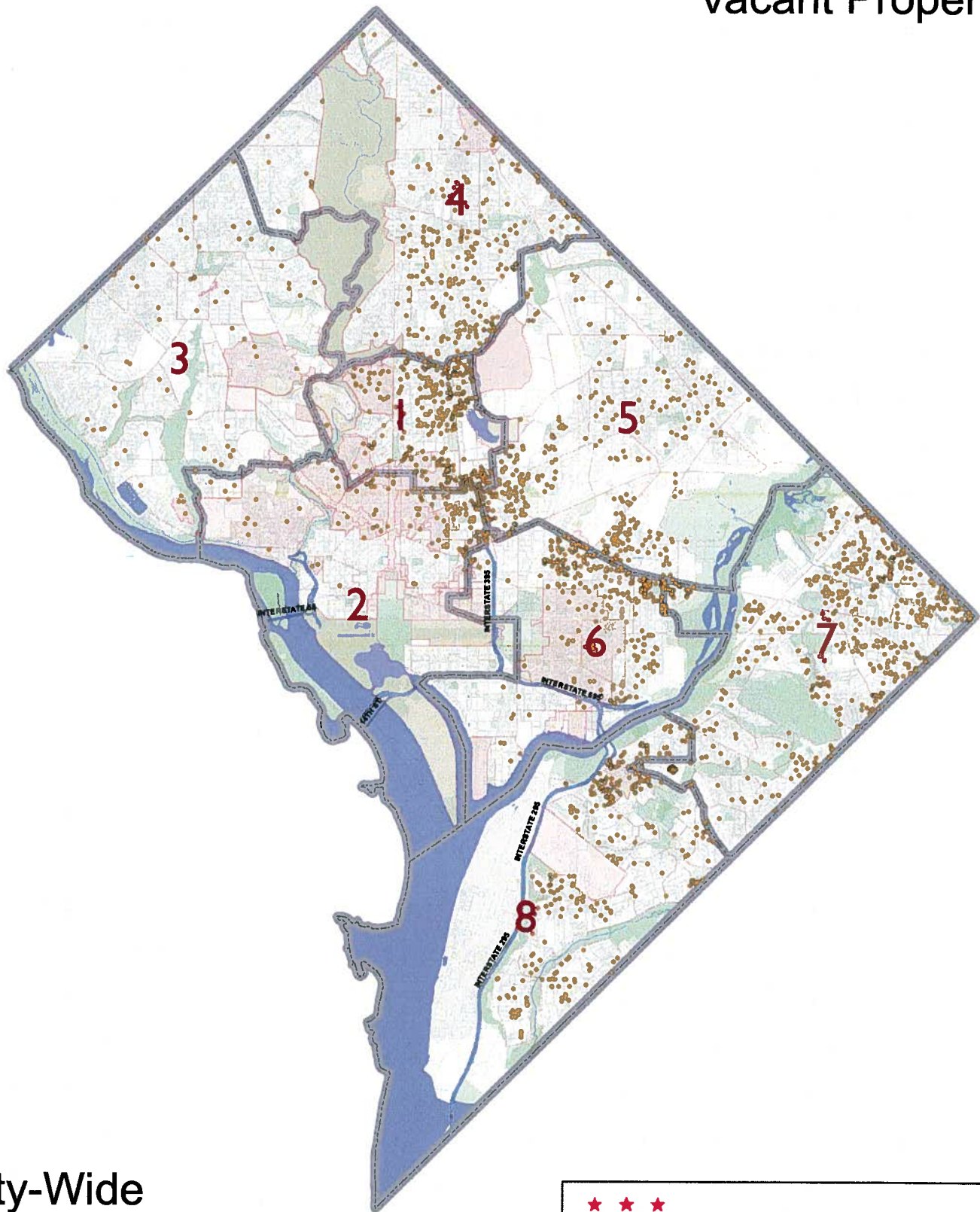
We're putting together a nice directory for our official opening but wanted to give visitors to dcra.dc.gov/moving a preview of the main DCRA Service Center to open on March 22, 2010. More than 90 percent of our services will be offered on the second floor of the new building.



Attachment B

Maps of Identified Vacant Properties and Designated Blighted Vacant Buildings

Vacant Property



City-Wide Reference Map

Department of Consumer
and Regulatory Affairs

Office of Vacant Property
and
Office of Information Systems (OIS)



Government of the
District of Columbia
Adrian M. Fenty, Mayor

March 8, 2010

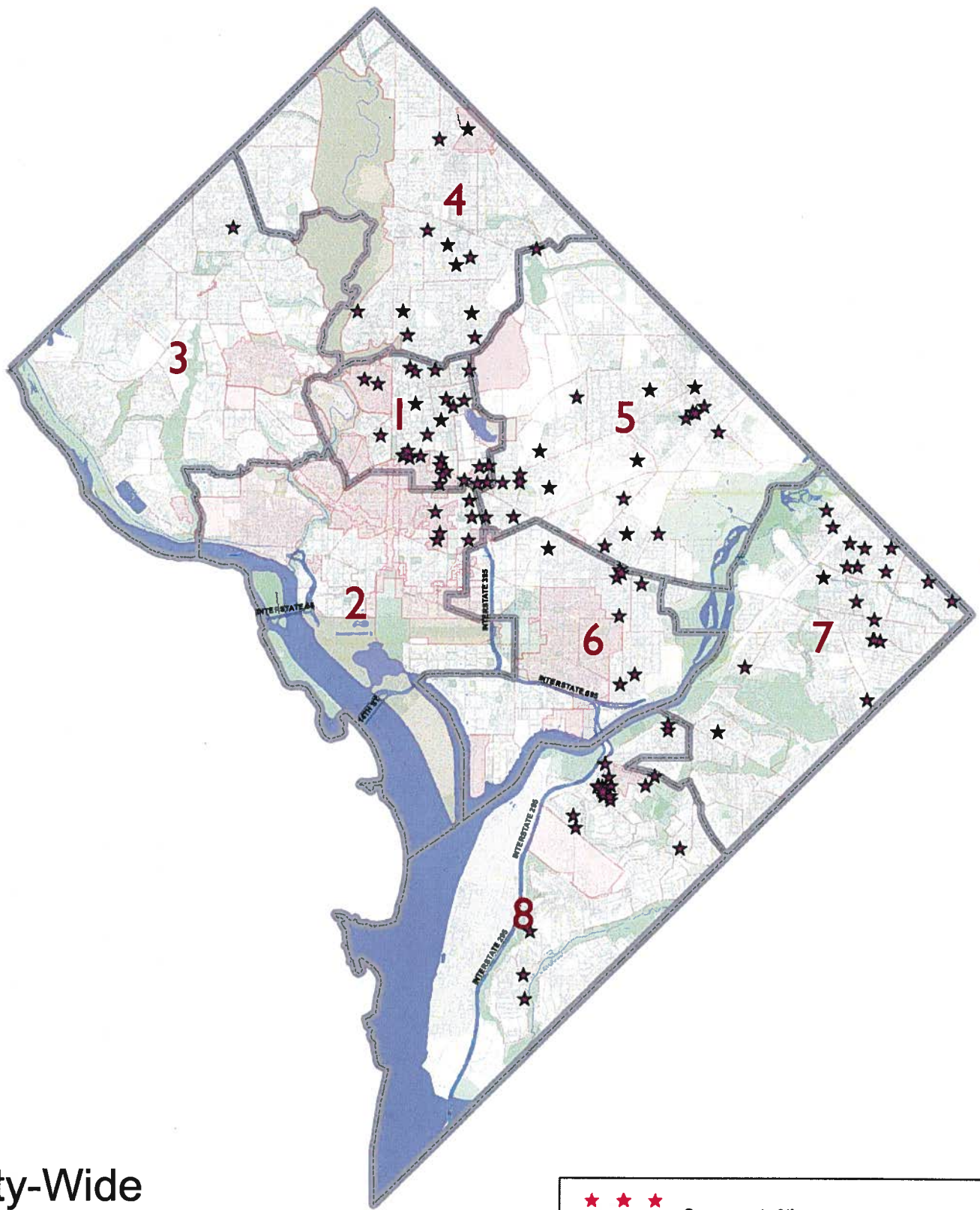


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City-Wide Reference Map

Department of Consumer
and Regulatory Affairs

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Government of the
District of Columbia
Adrian M. Fenty, Mayor

March 8, 2010



Department of Consumer and Regulatory Affairs
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Legend

★ Sighted (March 2010)

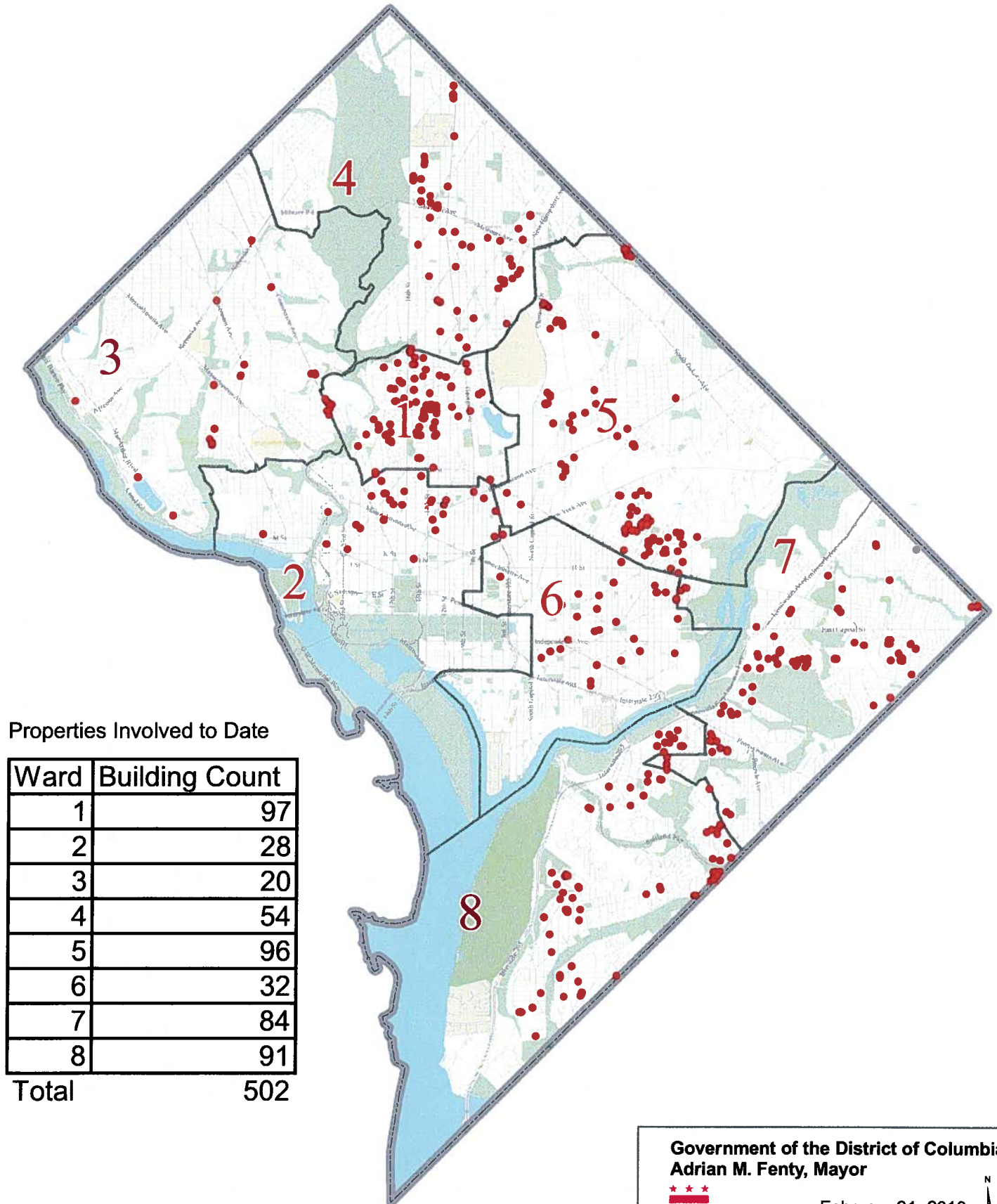
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Attachment C

Map of Rental Housing Buildings Inspected During DCRA Proactive Inspections Program

Proactive Inspections Program



Properties Involved to Date

Ward	Building Count
1	97
2	28
3	20
4	54
5	96
6	32
7	84
8	91

Total 502

Government of the District of Columbia
Adrian M. Fenty, Mayor



February 21, 2010



Linda K. Argo, Director
Department of Consumer
and Regulatory Affairs

